

**U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION**

**MID-PACIFIC REGION
LAHONTAN BASIN AREA OFFICE**

FINDING OF NO SIGNIFICANT IMPACT

**ASSEMBLY BILL 380
WATER RIGHTS ACQUISITION PROGRAM**

CHURCHILL, LYON, STOREY, AND WASHOE COUNTIES

Recommended:

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Date:

9/12/00

Approved:

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FONSI No.

00-01-LBAO

BACKGROUND

The proposed Bureau of Reclamation (Reclamation) action is to provide \$7-10 million in appropriated funds to partially support the Newlands Project Water Rights Acquisition Fund (Fund) program. The Federal funds will provide necessary financial support to the Nevada Assembly Bill 380 (A.B. 380) water rights acquisition and retirement program. A.B. 380 created the Fund to acquire, abandon, and retire up to 6,500 acres of surface water rights in Reclamation's Newlands Project. The United States, through Public Law 106-60, has appropriated a portion of the funds to be granted to the Fund. A total of approximately \$13-\$16 million of Federal, State, and private monies will likely be available to the Fund.

The purpose of the acquisition and retirement program is to provide a mechanism to resolve certain administrative and judicial proceedings involving challenges to Newlands Project water rights. These proceedings are time consuming and costly for all parties involved, and the need for resolution led to passage of A.B. 380 and creation of the acquisition and retirement program. The Federal money must be available to the Fund for acquisition of water rights or the agreement to resolve relevant litigation will be terminated. State and private funds alone are insufficient to achieve the water right acquisition goals of the legislation.

The No Action Alternative in the EA is not a continuation of existing conditions in perpetuity; rather it is a reasonable prediction of foreseeable future conditions expected to occur without the proposed action. This alternative assumes the probable rate of success (win/loss record) the Pyramid Lake Paiute Tribe, together with the United States, would have in the litigation of challenged water rights cases is 60:40. The EA discusses in detail the evaluations used to predict the litigation win/loss ratio.

FINDINGS

An environmental assessment (EA) for the A.B. 380 water rights acquisition and retirement program prepared by Reclamation's Lahontan Basin Area Office (LBAO) in August 2000 is incorporated into this Finding of No Significant Impact by reference. According to the National Environmental Policy Act and consistent with this EA, the analysis completed by LBAO has found that the proposed action is not a major Federal action that would significantly affect the quality of the human environment and thus an environmental impact statement is not required. This finding of no significant impact is based on the following factors:

1. Vegetative Communities

Riparian, wetland, desert, agricultural, and noxious weed plant communities will not be significantly affected by the A.B. 380 water rights acquisition program. Water levels in Lahontan Reservoir and Pyramid Lake, flows in the Carson and Truckee rivers, and flows to the Lahontan Valley wetlands will not change significantly under the Proposed Action or result in any meaningful changes in plant communities. Plant communities in these areas regularly experience large fluctuations in available water due to seasonal variations in the

amount of snowpack and spring run-off in the rivers, as well as routine reservoir and dam operations.

The amount of irrigated agricultural acreage in the Newlands Project is anticipated to be reduced by approximately 843 acres under the A.B. 380 program compared to the No Action Alternative. This is not considered a significant adverse effect to the agricultural land base, as it amounts to less than two percent of the predicted total amount of agricultural acres in the Newlands Project upon implementation of both the A.B. 380 and the U.S. Fish and Wildlife Service (FWS) water rights acquisition programs.

2. Endangered, Threatened, Candidate and Sensitive Species and other Fish and Wildlife Species

Informal consultation under section 7 of the Endangered Species Act was conducted with the U.S. Fish and Wildlife Service (FWS) regarding the proposed project. An August 25, 2000, letter from FWS concurred with Reclamation's finding that the proposed action is not likely to adversely affect any federally listed species. In addition, the EA analysis concluded the Proposed Action was not expected to result in any significant impacts to any other fish or wildlife species.

3. Newlands Project Operations and Infrastructure

The EA analysis determined the Proposed Action was not expected to result in any significant impacts to Newlands Project Operating Criteria and Procedures, Project infrastructure, irrigated acreage base, Project efficiency, or Lahontan Reservoir operations and storage.

4. Water Resources

Compared to the No Action Alternative, the A.B. 380 program is expected to increase average annual flow in the Truckee River, reduce average annual flow to Lahontan Valley wetlands, increase average annual inflow to Pyramid Lake, and reduce average monthly storage volumes in Lahontan Reservoir. The EA analysis indicates, however, that the changes are sufficiently small that there are no significant effects to surface or groundwater supply or water quality within the analysis area.

5. Air Quality

Air pollution produced by agricultural machinery is anticipated to be slightly lower under the A.B. 380 program than under the No Action Alternative because approximately 843 fewer acres of land will be irrigated; conversely, the amount of fugitive dust originating from agricultural lands would be somewhat higher because 843 acres of currently irrigated lands are expected to revert to desert plant communities. These effects on air quality from fugitive dust are not considered significant as residual root systems will stay intact and combined

with revegetation of desert plant species will hold soil in place on the 843 acres of former irrigated agricultural land. Revegetation with other plant species is expected to occur within a year, and as the soil crusts over, the amount of fugitive dust generated from the land will be reduced. Land that is converted to other uses such as housing or commercial development will also have high amounts of ground coverage that reduces long-term dust problems. The overall severity of the potential effects to air quality is not considered significant especially when considered in the context of the extremely large tract of desert surrounding the entire study area.

6. Socio-Economic Resources

The A.B. 380 water rights acquisition program is not expected to have any significant effects on the following socio-economic resources: population, economic activity and land use, employment and income, agriculture, recreation or hydropower revenues. According to the Truckee-Carson Irrigation District, approximately 6,500 acres are, on average, not irrigated each year and thus are not producing agricultural crops. Therefore, the purchase and retirement of 6,500 acres of water rights will have no measurable economic impact on regional agricultural production or those sectors of the regional economy with linkages to agricultural production.

The changes anticipated in Pyramid Lake and Lahontan Reservoir water levels, and flows in the rivers are not large enough to have any measurable effects on recreation in the analysis area. While modeled estimates suggest that there may be a drop in hydropower revenues, the actual impact may be negligible. On average, 6,500 acres of Newlands Project are fallowed each year, and under the Proposed Action, 6,500 acres of water righted lands will be purchased and the water rights retired. Therefore, the overall volume of water passing through the hydropower facility is anticipated to be nearly the same. As a result, hydropower revenues should not be significantly affected.

7. Cultural Resources

The A.B. 380 water rights acquisition and retirement program has no potential to affect cultural resources. Great variations in water levels and flows commonly occur throughout the analysis area due to seasonal precipitation and spring run-off, as well as routine reservoir operations. There will be only a small magnitude of change in flows in the rivers and water levels in Lahontan Reservoir, Lahontan Valley wetlands, and Pyramid Lake from the Proposed Action. No decommissioning is expected of any canals, laterals or drains or any other features in the Newlands Project listed on the National Register of Historic Places. Consultation was coordinated with the State Historic Preservation Office and they concurred with Reclamation's findings that there is no potential that cultural resources will be affected by the undertaking.

8. Indian Trust Assets

No significant effects to Indian Trust Assets are expected with implementation of the A.B. 380 program. The Proposed Project is not expected to have any adverse effects on resources of the Fallon Paiute-Shoshone Tribe. Model results indicate that the Proposed Action will benefit the trust assets of the Pyramid Lake Paiute Tribe by decreasing diversions from the Truckee River and increasing average annual inflow to Pyramid Lake.

9. Environmental Justice

No effects to Environmental Justice would occur under the A.B. 380 water rights acquisition and retirement program. The A.B. 380 water rights acquisition and retirement program does not involve facility construction, population relocation, health hazards, hazardous waste, property takings or substantial economic impacts.

10. Cumulative Effects

The potential effects of the A.B. 380 water rights acquisition program combined with possible effects of the various reasonably foreseeable actions analyzed in the EA are not expected to be significant for any resource. The relatively small magnitude of change that would occur under the A.B. 380 program added to other potential actions is not expected to cause significant adverse cumulative effects to resources within the analysis area.